

MEMORANDUM

TO: Air Pollution Control Advisory Board (APCAB)

FROM: Chris Schroeder, Air Quality Program Supervisor

DATE: November 4, 2014

RE: Lincoln-Lancaster County Air Pollution Control Program Regulation and Standards (LLCAPCPRS), Explanatory Statement for November 4, 2014 Air Pollution Control Advisory Board Meeting

Short Description:

The Air Quality Program is seeking approval from the APCAB to modify several sections of the Lincoln-Lancaster County Air Pollution Control Program Regulations and Standards (LLCAPCPRS) to address the following:

- Minor revisions for typographic, spelling, grammar, punctuation, and capitalization errors; implement minor formatting changes; expand on abbreviated terms; correct erroneous references; and spell out some numeric quantities.
- Incorporate updated ambient air quality standards to maintain consistency with Nebraska Department of Environmental Quality (NDEQ) air regulations set forth in Title 129 of the Nebraska Administrative Code.
- Update the effective date of Federal Regulations currently adopted into the LLCAPCPRS. The new effective date for all adopted Federal Regulations will be July 1, 2014, which is the most recent date of publication of Title 40 of the Code of Federal Regulations. This action will incorporate all revisions made to the affected Federal Regulations between the previously adopted date and the newly adopted date.
- Revise some particulate emission standard requirements to harmonize the LLCAPCPRS with the NDEQ's Title 129 regulations.
- Revise construction permitting requirements for electrical generators to harmonize requirements with federal requirements.

The Air Quality Program is also presenting a **draft** revision to Article 1, Section 6 of the LLCAPCPRS that would implement the fee structure revisions recommended to the Air Pollution Control Advisory Board during the August 19, 2014 meeting.

Detailed description of proposed modifications to the LLCAPCPRS:

• **Article 1, Section 6 – Fees**

- Minor typographic, spelling, and grammar errors have been corrected throughout the section.
- Paragraph (A)(1) has been reformatted to put previously listed items 1), 2), and 3) into a list form consistent with that used throughout the LLCAPCPRS.
- Paragraphs (A)(2)(b)-(c) are revised to spell out the numbers used therein.
- Paragraphs (B)(2)(a)-(f) are reformatted to make fees easier for Department staff, as well as the public, to locate.
- Paragraph (D) is revised to add the list of activities that are subject to permit fees. This list was previously located in Article 2, Section 30. Paragraph (D) is also revised to specify that the construction permit fee of \$100.00 per hour does not apply to emergency generator construction permits.
- Paragraph (E) is revised to replace language regarding ‘construction permit exemptions’ with language related to a construction permits specific to emergency electrical generators. For more information on this change, refer to the explanation provided for changes to Article 2, Section 17, paragraph (O).

• **Article 2, Section 1 – Definitions**

- Minor typographic, spelling, and grammar errors have been corrected throughout the section.
- “Applicable requirement” paragraph (11) has been revised to make it consistent with the NDEQ’s Title 129 regulations.
- “Global Warming Potential” has been revised to incorporate revised federal regulations which change the ‘global warming potential’ associated with various greenhouse gases.
- “Installation” has been revised to make it consistent with the NDEQ’s Title 129 regulations.
- A definition for “Premises” has been added to provide greater clarity to the meaning of the term, as its definition is particularly relevant to the requirements of Article 2, Section 32 of the LLCAPCPRS (Dust – Duty to Prevent the Escape of.).
- “Volatile organic compound (VOC)” has been modified to make it more consistent with the NDEQ’s Title 129 regulations, and to update the effective date of 40 CFR Part 51 to incorporate revisions made prior to July 1, 2014.

• **Article 2, Section 2 – Major Sources: Defined**

- Minor typographic, spelling, and grammar errors have been corrected throughout the section.

• **Article 2, Section 4 – Ambient Air Quality Standards**

- Minor typographic, spelling, and grammar errors have been corrected throughout the section.
- Paragraph (A)(2)(a) has been modified to specify that the standard listed therein is the ‘primary standard’ for PM_{2.5}, and newly-designated paragraph (A)(2)(b) has been added to incorporate the ‘secondary standard’ for PM_{2.5}, both changes that are consistent with the NDEQ’s Title 129 regulations. Previously-designated paragraphs (A)(2)(b)-(c) have been re-numbered.
- Federal regulation dates have been updated to incorporate changes made prior to July 1, 2014.

• **Article 2, Section 5 – Operating Permits – When Required**

- Minor typographic errors have been corrected.
- Paragraph (G) has been added to implement the permit fees in Article 1, Section 6, paragraph (D).

- **Article 2, Section 15 – Operating Permit Modifications: Reopening for Cause**

- The title of this regulation has been modified to remove the term ‘Operating’, as this section now contains permit modification language that applies to both operating and construction permits, which is consistent with the NDEQ’s Title 129 regulations.
- Minor typographic, spelling, and grammar errors have been corrected throughout the section.
- Paragraph (A)(1)(d) has been revised to replace ‘permitting authority’ with ‘Department’ to maintain consistency throughout the LLCAPCPRS.
- Paragraphs (C)(1)(d)-(e), as well as previously-designated (C)(2)-(6) (which have now been re-numbered) have been modified to make their language consistent with the NDEQ’s Title 129 regulations. In addition, the newly-designated paragraph (C)(2) incorporates minor modification provisions as applicable to construction permits, also consistent with the NDEQ’s Title 129 regulations.
- Several provisions set forth under paragraphs (D), (E), and (F) have been revised to make the language consistent with the NDEQ’s Title 129 regulations.
- Paragraph (E) has been modified to implement the permit fees in Article 1, Section 6, paragraph (D).
- Paragraph (G) has been modified to incorporate some formatting changes, as well as to make the language consistent with the NDEQ’s Title 129 regulations.

- **Article 2, Section 17 – Construction Permits: When Required**

- Minor typographic, spelling, and grammar errors have been corrected throughout the section.
- Paragraph (A) has been modified to correct a reference. The previously-designated paragraph (Q) of Section 17 was redundant, as it simply referenced already-applicable requirements.
- Under Table 17-2, the standards for sulfur dioxide (SO₂) have been moved further down the table. There are no changes to the requirements.
- Paragraph (M)(1)(d) has been modified to remove redundant language.
- Paragraph (M)(4)(c) has been removed, as it was a blank line. All subsequent paragraphs under (M)(4) have been re-numbered.
- Paragraph (N)(1) has been revised to accommodate the addition of the construction permit minor modification provisions to Article 2, Section 15. Paragraphs (N)(1)(a)-(e) have been moved from this section. Provisions set forth under paragraphs (N)(2)-(3) have been revised to correct references resulting from moving the construction permit minor modification provisions.
- Paragraph (O) has been revised throughout to remove references to a ‘construction permit exemption’. This change was prompted by discussions with the EPA in which they expressed doubt in regard to the legality of granting an ‘exemption’ from construction permit requirements, which are established under ‘minor NSR’ federal regulations. The provisions set forth under paragraph (O) have been revised extensively to remove obsolete federal standards and redundant language, to incorporate updated federal requirements, and to clarify the requirements with which owners/operators of such units must comply, as deemed appropriate by the Department.
- Paragraph (P) has been revised to remove obsolete federal standards and redundant language, to incorporate updated federal requirements, and to clarify the requirements with which owners/operators of such units must comply, as deemed appropriate by the Department.
- As previously stated, paragraph (Q) has been removed, as it contains redundant language. Previously-designated paragraphs (R) and (S) have been re-numbered as (Q) and (R), respectively.
- Paragraph (Q) has been revised to specify which sources must pay annual emission fees.
- Paragraph (S) has been updated to correct the reference to the NDEQ’s Title 129 regulations.

- **Article 2, Section 18 – New Source Performance Standards**
 - Minor typographic, spelling, and grammar errors have been corrected throughout the section.
 - Paragraph (A) has been revised to update the effective date of 40 CFR Part 60 to incorporate revisions made prior to July 1, 2014.
 - Some clarifying references have been made under paragraph (D).
- **Article 2, Section 19 – Prevention of Significant Deterioration of Air Quality**
 - Minor typographic, spelling, and grammar errors have been corrected throughout the section.
 - Paragraph (A) has been updated to correct the reference to the NDEQ's Title 129 regulations, and to incorporate revisions made to 40 CFR Part 52 prior to July 1, 2014.
 - Paragraph (E)(13) has been revised to clarify the language used therein.
- **Article 2, Section 20 – Particulate Emissions: Limitations and Standards**
 - Minor typographic, spelling, and grammar errors have been corrected throughout the section.
 - Under paragraph (A), the particulate emission standards for incinerators in paragraph (A)(1)(a) have been removed, as they are already established in Article 2, Section 22 "Incinerator Emission Standards". A reference has been added to clarify this fact. In addition, the minimum temperature requirements established under paragraph (A)(1)(b) have been moved to Article 2, Section 22, which places all incinerator-specific standards under the section of the LLCAPCPRS that pertains specifically to incinerators.
 - The requirements established under the previously-designated paragraph (C) have been moved into paragraph (B).
 - The newly-designated paragraph (C) has been added to incorporate language that is consistent with the NDEQ's Title 129 regulations.
 - Table 20-1 has been re-numbered as 20-2, and the table established under paragraph (B) has been designated as Table 20-1, which is consistent with the NDEQ's Title 129 regulations.
- **Article 2, Section 21 – Compliance Assurance Monitoring**
 - This section has been revised to update the effective date of 40 CFR Part 64 to incorporate revisions made prior to July 1, 2014.
- **Article 2, Section 22 – Incinerator Emission Standards**
 - Minor typographic, spelling, and grammar errors have been corrected throughout the section.
 - The particulate emission standards and minimum temperature requirements from Article 2, Section 20 have been established under paragraph (A)(14)(a)-(b). The type of incinerators subject to the standards set forth under paragraph (A)(14) has been expanded to make it consistent with the previously-existing provisions established under Article 2, Section 20. The addition of the temperature requirements in paragraph (A)(14)(b) has resulted in the re-numbering of subsequent paragraphs.
- **Article 2, Section 23 – Hazardous Air Pollutants: Emission Standards**
 - Paragraph (A) has been revised to update the effective date of 40 CFR Part 61 to incorporate revisions made prior to July 1, 2014.
- **Article 2, Section 26 – Acid Rain**
 - This section has been revised to update the effective date of 40 CFR Parts 72, 75, and 76 to incorporate revisions made prior to July 1, 2014.

- **Article 2, Section 27 – Hazardous Air Pollutants: Maximum Achievable Control Technology (MACT)**
 - Minor typographic, spelling, and grammar errors have been corrected throughout the section.
 - This section has been revised to update the effective date of 40 CFR Part 63 to incorporate revisions made prior to July 1, 2014.
- **Article 2, Section 28 – Hazardous Air Pollutants: MACT Emission Standards**
 - Paragraph (A) has been revised to update the effective date of 40 CFR Part 63 to incorporate revisions made prior to July 1, 2014.
- **Article 2, Section 30 – Construction Permit Fee**
 - The title of the section has been revised to “Reserved”, and the language therein has been moved to Article 1, Section 6, paragraph (D).
- **Article 2, Section 34 – Emission Sources: Testing: Monitoring**
 - Minor typographic, spelling, and grammar errors have been corrected throughout the section.
 - The header to this section has been reformatted to improve the appearance.
 - This section has been revised to update the effective date of 40 CFR Parts 51, 60, 61, 63, and 266 to incorporate revisions made prior to July 1, 2014.
 - Paragraphs (B)(6)-(7), (C), (M)(4)-(6), (O), and (O)(2) have been modified to incorporate language that is consistent with the NDEQ’s Title 129 regulations.

Detailed description of **DRAFT** revisions to the LLCAPCPRS to incorporate the fee structure proposed to the APCAB at the August meeting:

- **Article 1, Section 6 – Fees**
 - Paragraphs (A)(2)(a) and (A)(2)(b) have been modified, and paragraph (A)(2)(d) has been added, to implement the fee structure revisions recommended to the Air Pollution Control Advisory Board during the August 19, 2014 meeting. The revisions provide for the following:
 - Fee increases will be ‘phased in’ starting in 2015, with sources paying only 33% of the additional fees that they will be subject to for calendar year 2014 emissions under the revised structure;
 - In 2016, sources will pay only 67% of the additional fees that they will be subject to for calendar year 2015 emissions under the revised structure;
 - Beginning in calendar year 2017, the revised fee structure will be fully implemented, and sources will be paying 100% of the fees they are subject to.
 - Paragraph (D) is revised to add operating permits as being subject to permit fees (previously applied only to construction permits). Consistent with the recommendations presented to the APCAB in the August meeting, the permit fee has been set at \$75.00 per hour, and the maximum permit fee has been maintained at \$10,000.00.
 - Paragraph (E) is revised to replace the fee of \$60.00 per generator with a fee of \$140.00 for the first generator, and a fee of \$60.00 per generator for each additional generator to be installed at the same premises. The increased fee for the first generator is warranted due to the increased costs to the program resulting from the requirement to publish a public notice for such construction permits. Previously, there was no public notice associated with permits for emergency generators.